

We're behind on our mortgage!

Question:

My husband and I are having trouble paying our mortgage. My husband already works 50 hours a week at his fulltime job and I'm making about \$800 working a couple of nights a week. Even with all this extra effort, by the end of the month we will be short by \$800.

Selling the house is the obvious answer, but a realtor told us that the house isn't worth what we paid for it. He suggested we do a short sale.

Any advice?

From Pamela

Answer:

You're right; you can't afford to keep the house. Also, the realtor's advice is probably correct – many areas have seen a drop in home values during the past few years.

A short sale simply means you'll sell the house for less than what it is worth. However, the bank is in control of a short sale and they decide if they will accept any offers. While a short sale is better than a foreclosure and bankruptcy, understand it isn't a get-out-of-debt-free card. Your credit score will take a hit and it will be very hard to buy a home for at least 3 years.

I suggest you get aggressive. Find an [experienced agent](#) that has short sale experience and get that home sold as soon as possible.